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What Did Israel Know?

Unintended disclosure to a U.S. undercover agent by a key figure in the scheme to smuggle \$2 billion worth of U.S.-made arms from Israel to Iran worsens an embarrassing new disturbance in the unwritten but intimate U.S.-Israeli alliance.

Tapes now in the possession of the U.S. attorney in New York City reveal Samuel Evans, an American lawyer based in London, in conversation this past spring somewhere in Europe with alleged co-conspirators in the arms deal. In connection with the operation, he confided that Mossad, the Israeli intelligence, had sent his name to the CIA for a routine background check.

What Evans did not know is that he was confiding to an undercover agent of the U.S. Customs Service. When that information reached Reagan administration officials, it raised questions about Israel's claim to have known nothing about the plot to sell its surplus U.S. arms to Iran—an illegal sale to an enemy of the United States.

That deepens the irony of the special U.S.-Israeli relationship. While reaching a peak of intimacy in the Reagan administration, it is suffering from a series of deep embarrassments. Israel's disclaimer of any government knowledge of the Iranian arms conspiracy followed its policy of proclaiming ignorance in the matter of admitted Israeli spy Jonathan Jay Pollard. In that case, too, the Justice Department and FBI have found it difficult to accept Israel's claim of innocence.

Evans, reserve Israeli Gen. Avraham Bar-Am and three others were arrested in Bermuda last April, put on a plane to New York a month later and rearrested there on charges of conspiracy to smuggle arms to Iran. The trial is set for late November. According to the indictment, the planned sale included 18 F-4 Phantoms, 18 F-5 Tigers and 46 Skyhawks—now surplus aircraft in Israel's U.S.-supplied air force.

Prior to his arrest, Evans told the undercover agent that Mossad had told him the CIA had been asked for a "tracer" on him that would reveal any derogatory information in the files at Langley. That disclosure, picked up on tape by the agent, was news to U.S. officials.

In a separate taped conversation with alleged co-conspirators, Evans confided that both Mossad and the Israeli Ministry of Defense had instructed him not to set foot in the United States. The

reason, he said, was that information about the huge sale of American arms from Israel to Iran might get out because so many participants in so many different places were aware of it.

It was, he said, a matter of personal safety. If the United States learned about a conspiracy to violate its laws by selling the Ayatollah Khomeini weapons given by American taxpayers for the defense of Israel, he continued, the conspirators would risk immediate prosecution by the United States. That could land them in jail after a trial that could embarrass Israel, he concluded. We have perused the transcripts of the tapes but cannot quote from them.

The record of one conversation has Evans telling his colleagues they must not dare come into the United States. When undercover agents invented an Iranian participant named "Mehran," who insisted on consummating the arms deal in New York, Evans demanded that "Mehran" come to London or Paris. The two sides finally compromised on Bermuda. It was there, with the connivance of British authorities, that the conspiracy came to an abrupt end.

The full extent of knowledge, if any, within the Israeli government in this conspiracy may never be known. Officials throughout the Reagan administration—outside the State Department—are hoping that the trial will bring out the truth.

For political and diplomatic reasons, specialists at State are not anxious to publicize Israeli complicity. That explains a wise administration decision to keep the leaky State Department largely in the dark as the "sting" operation in the Iranian arms sale progressed early this year.

Behind this is an institutional conflict over how to handle the Israeli factor when American policy is undercut. In the Iran-Iraq war, Israel strongly backs Iran while the United States leans toward Iraq. That conflict will not be resolved any time soon. But Justice Department officials hope the trial in the Iranian arms conspiracy will prove beneficial to the U.S.-Israel relationship in the long run.

The trial will be painful if it demonstrates that Israel exploited its policies at U.S. expense. But the evidence has convinced high-ranking officials that the Iranian affair must be ventilated and might become the catalyst to end such practices. That would benefit both the United States and Israel.

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